



# State of Louisiana

## Department of Environmental Quality



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SECRETARY

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### Environmental News

#### DEQ Signs \$8.72 million settlement

(Baton Rouge) – The Louisiana Department of Environmental Quality and Bollinger Shipyards, Inc., and its affiliates, signed an intended settlement agreement for more than \$8.72 million on Thursday, according to R. Bruce Hammatt, DEQ Assistant Secretary for Environmental Compliance.

The settlement resolves allegations by the DEQ of noncompliance with air, water quality and hazardous waste provisions of the Louisiana Environmental Quality Act at several Bollinger Shipyard facilities in south Louisiana, including several recently purchased from another company. It also addresses noncompliance issues that Bollinger Shipyards self-reported to DEQ. Most of the noncompliance issues concerned deficient record keeping and reporting of air emissions data, failure to certify emission control equipment and improper control of water discharges.

Under the agreement, Bollinger Shipyards will pay a cash fine to the state of \$500,000 and perform Beneficial Environmental Projects, also known as BEPs, valued at \$8,224,000. The projects include donating \$310,000 worth of new air quality monitoring equipment to DEQ. That equipment is currently planned for use in monitoring the air quality in and around the Baton Rouge ozone non-attainment area. Another \$300,000 will be used by the Louisiana Rural Water Association to assist small municipalities in meeting the DEQ issued water discharge permit limits. An additional \$86,550 will be donated to education institutions and environmental organizations for such programs as the elimination of mercury in schools.

The agreement also requires Bollinger Shipyards to make improvements above and beyond the legal requirements at its various Louisiana facilities to reduce or prevent pollution.

(more)

These improvements include \$100,000 for new airless spray paint systems, \$1,730,000 for work barges with screens to contain abrasive blast media and \$320,000 for portable abrasive-blasting enclosures to contain and capture fugitive emissions.

“This settlement agreement represents a significant monetary commitment by Bollinger Shipyards to resolve past problems and to benefit air and water quality in Louisiana,” Hammatt said. “The Department appreciates the effort Bollinger Shipyards has undertaken, particularly with regard to those facilities it purchased recently, to identify where improvements can be made and to commit the resources to making those improvements for the citizens of Louisiana.”

DEQ Secretary L. Hall Bohlinger also expressed satisfaction with the announcement, saying: “The DEQ staff is committed to ensuring that companies operate in a responsible and law-abiding manner that is protective of the people in Louisiana.”

A Beneficial Environmental Project provides for environmental mitigation, which the respondent is not legally required to perform, but which the respondent agrees to undertake as a component of a settlement of a violation or penalty assessment. The cash penalty payments will go into the DEQ’s hazardous waste cleanup fund.

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